

**COMMERCIAL/RETAIL FINDINGS RESOLUTION
BBL BARNETT LLC PROJECT**

A regular meeting of City of Rensselaer Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located in the City of Rensselaer City Hall located at 62 Washington Street in the City of Rensselaer, Rensselaer County, New York on January 23, 2023 at 4:15 p.m., local time.

The meeting was called to order by the (~~Vice~~) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Michael Stammel	Chairman
John DeFrancesco	Vice Chairman
Andrew Kretzschmar	Secretary
Ray Stevens	Member

ABSENT:

William Bulnes	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

John J. Bonesteel	Chief Executive Officer/Treasurer
Madeline Rizzo	Executive Assistant
A. Joseph Scott, III, Esq.	Special Agency Counsel
Shannon E. Wagner, Esq.	Special Agency Counsel

The following resolution was offered by DeFrancesco, seconded by Stevens, to wit:

Resolution No. 0123-3

RESOLUTION (A) DETERMINING THAT THE PROPOSED BBL BARNETT LLC PROJECT IS A COMMERCIAL PROJECT AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.

WHEREAS, City of Rensselaer Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 235 of the 1974 Laws of New York, as amended, constituting Section 903-c of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects

to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, BBL Barnett LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a certain parcel of land containing approximately 6.52 acres located at 11 Forbes Avenue and 20 Forbes Avenue (tax map nos. 133.77-3-1; 133.69-1-2; 133.-3-7) in the City of Rensselaer, Rensselaer County, New York (the “Land”), together with eight (8) pre-existing historic mill-buildings (the “Facility”), (2) the reconstruction, renovation and rehabilitation of the Facility, and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company as a mixed-use facility containing approximately 78,286 square feet of space for market-rate residential apartment space and 19,996 square feet of commercial space, and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on August 22, 2022 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on September 15, 2022 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on September 15, 2022 on a bulletin board located at Rensselaer City Hall located at 62 Washington Street in the City of Rensselaer, Rensselaer County, New York as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on September 16, 2022 in The Record, a newspaper of general circulation available to the residents of the City of Rensselaer, New York, (D) conducted the Public Hearing on September 26, 2022 at 4:00 o’clock p.m., local time at Rensselaer City Hall located at 62 Washington Street in the City of Rensselaer, Rensselaer County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on January 23, 2023 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the City of Rensselaer Planning Commission (the “Planning Commission”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Commission issued on January 9, 2023 (the “Negative Declaration”), in which the Planning Commission determined that the Project was (1) located in the Study Area (as defined in the SEQR Resolution), and (2) a “Type I action” which was adequately addressed in the Findings Statement (as defined in the SEQR Resolution) and will

not have a “significant effect on the environment” and therefore, that an environmental impact statement need not be prepared with respect to the Project (as such quoted terms are defined in SEQRA); and

WHEREAS, in Opinion of the State Comptroller Number 85-51, the State Comptroller indicated that the determination whether a project that consists of the construction of an apartment house is a commercial activity within the meaning of the Act is to be made by local officials based upon all of the facts relevant to the proposed project, and that any such determination should take into account the stated purpose of the Act, that is, the promotion of employment opportunities and the prevention of economic deterioration; and

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application, including the attached Cost Benefit Analysis; and (B) a letter of support dated November 18, 2022 received by the Agency from the Mayor of the City of Rensselaer expressing support for the Project, which letter is attached hereto as Exhibit A; and

WHEREAS, the Agency has given due consideration to the Project Qualification Documents, and to representations by the Company that although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within census tract 516 in the City of Rensselaer which is contiguous to distressed census tracts 1 and 515, as that term is defined in Section 854(18) of the Act, and therefore is in a “highly distressed area”; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including (1) following compliance with the procedural requirements of Section 859-a of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York and (2) confirmation by the Mayor of the City of Rensselaer of the proposed action by the Agency with respect to the Project; and

WHEREAS, having complied with the requirements of SEQRA and Section 859-a of the Act with respect to the Project, the Agency now desires, pursuant to Section 862(2)(c) of the Act, to make its final findings with respect to the Project and its final determination whether to proceed with the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF RENSSELAER INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project:

A. The Project is located in an area having a mixture of residential, not-for-profit, commercial, retail, and service uses.

B. The Project Qualification Documents makes the following comments/findings regarding housing in the City of Rensselaer:

- Encourage investment in urban land and buildings for employment and housing
- Encourage the revitalization of the community by repurposing currently underutilized buildings

C. That undertaking the Project is consistent with the Project Qualification Documents and will assist and maintain current and future residential and commercial development and expansion in the neighborhood area.

D. The Company has informed representatives of the Agency that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment and office operations located in the surrounding areas.

E. The Company has informed the Agency that the Project is expected to create approximately 16 permanent full time jobs and 275 full time equivalent construction jobs during construction of the Project.

F. The Company has informed representatives of the Agency that the Company is not aware of any adverse employment impact caused by the undertaking of the Project.

Section 2. Based upon the foregoing review of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following determinations with respect to the Project:

A. That although the Project does constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located in a "highly distressed area" (as defined in the Act).

B. That (1) the Project Facility will provide necessary infrastructure for area employers and businesses, (2) the completion of the Project Facility will have an impact upon the creation, retention and expansion of employment opportunities in the City of Rensselaer and in the State of New York, and (3) the completion of the Project will assist in promoting employment opportunities and assist in preventing economic deterioration in the City of Rensselaer and in the State of New York.

C. That the acquisition, reconstruction, renovation and installation of the Project Facility is essential to the retention of existing employment and the creation of new employment opportunities and is essential to the prevention of economic deterioration of businesses and neighborhoods located in the City of Rensselaer.

D. That the Project constitutes a "commercial" project, within the meaning of the Act.

E. That the undertaking of the Project will serve the public purposes of the Act by preserving and creating permanent private sector jobs in the State of New York.

Section 3. Having reviewed the Public Hearing Report, and having considered fully all comments contained therein, and based upon the findings contained in Section 1 above, the Agency hereby determines to proceed with the Project and the granting of the financial assistance described in the notice of the Public Hearing; provided, however, that no financial assistance shall be provided to the Project by

the Agency unless and until the Mayor of the City of Rensselaer, New York, as chief executive officer of the City of Rensselaer, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Michael Stammel	VOTING	AYE
John DeFrancesco	VOTING	AYE
Andrew Kretschmar	VOTING	AYE
William Bulnes	VOTING	ABSENT
Ray Stevens	VOTING	AYE

The foregoing Resolution was thereupon declared duly adopted.

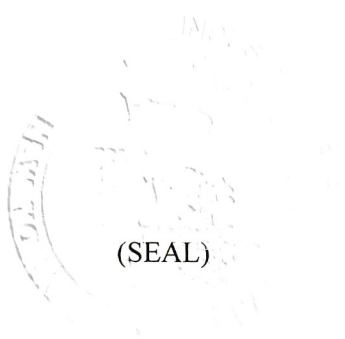
STATE OF NEW YORK)
) SS.:
COUNTY OF RENSSELAER)

I, the undersigned Secretary of the City of Rensselaer Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on January 23, 2023 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 23rd day of January, 2023.



(SEAL)

Andrew Kretzschmar
Secretary

EXHIBIT A
LETTER OF SUPPORT
- SEE ATTACHED -



MICHAEL STAMMEL
MAYOR

CITY OF RENSSELAER

OFFICE OF THE MAYOR
CITY HALL
62 WASHINGTON STREET
RENSSELAER, NEW YORK 12144



(518) 462-9511
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November 18, 2022

City of Rensselaer Industrial Development Agency
62 Washington Street
P.O. Box 243
Rensselaer, New York 12144
Attention: John J. Bonesteel, Chief Executive Officer

Re: City of Rensselaer Industrial Development Agency
Proposed Lease/Leaseback Transaction
BBL Barnett LLC Project


Mr. Bonesteel:

As Mayor of the City of Rensselaer, I write to express my full support for the BBL Barnett LLC project at the historic William Barnet & Son Shoddy Mill. As you are aware, the project entails the redevelopment and renovation of a series of eight historically related mill buildings along the Hudson River. The project represents a great opportunity to revitalize the community as a whole by repurposing an abandoned warehouse into various mixed-use spaces for residential and commercial use. Further, the project will maximize the views of the shoreline for both the City and the surrounding communities.

The City, along with the help of the City of Rensselaer Industrial Development Agency (the "Agency"), has made great progress in improving the downtown area. As you are aware, the City and the greater Capital Region are in need of more housing to support employees and economic growth. The success of this project will bring both residential units and business opportunities to the City, and can open up the area as a whole. Further, the addition of new and improved market-rate housing will attract new and diverse residents to the City.

Additionally, we are confident that the adaptive re-use of the Mill will provide a solid base of customers for other downtown businesses. This support is echoed by other City departments, as demonstrated by the special use permit issued by the City of Rensselaer Planning Commission.

We are hopeful that the Agency can help incentivize this project and see it come to fruition. Market-rate housing and the addition of commercial space are important for the economic revitalization of the City.

Sincerely,

Michael Stammel
Mayor

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